All Scheduled commercial banks deposits and credit deposit ratio in states in North Eastern Region

(March, 1999)

	State/ Union Territory	Deposits (Rs. Lakh)	Credit Deposit Ratio %
1.	Arunachal Pradesh	48444	14.1
2.	Assam	703501	31.5
3.	Manipur	40622	41.7
4.	Meghalaya	114704	16.7
5.	Mizoram	30476	20.6
6.	Nagaland	73939	15.7
7.	Tripura	105061	29.4

(c) The bank credit outstanding to Agriculture in Tripura as on March 31, 1999 is Rs. 10194 lakhs.

News-item captioned Punjab National Bank Chief ask to go on leave

1271. SHRI NANA DESHMUKH: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the news-item titled "Punjab National Bank Chief ask to go on leave" which appeared in The Hindustan Times, dated the 18th January, 2000 because of his involvement in a fraud case of Rs. 13 crore;

(b) whether it is a fact that he is the second banking high-up to do so;

(c) if so, whether the losses perpetrated by both the CMDs have been made good to the exchequer; if not, the reasons therefor; and

(d) what corrective measures Government have taken so that such cases do not recur?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) to (d) Shri Rashid Jilani, CMD, Punjab National Bank (PNB) proceeded

on leave on medical grounds from 14th January, 2000. His term has expired on 06.03.2000. Shri M. Gopalkrishnan, Former Chairman & Managing Director (CMD), Indian Bank, was not asked to go on leave as reported in the news item.

PNB has reported that PNB Caps has filed winding up petitions against Willard India Ltd. and Solarson Industries Ltd. A sum of Rs. 2.10 crores has already been realized. Court has directed Willard India Ltd. to pay Rs. 50 lakhs every alternate months.

Reserve Bank of India/Government have advised the banks to take steps not only to check the incidents of NPAs but also to take effective measures for recovery of NPAs. Accordingly, banks have prepared documents of loan policy, loan recovery policy, etc. Thus, each bank now has a loan policy which sets down the manner of sanction of loan, the guidelines for sanction of loans, documentation post disbursement follow up action to be taken, etc. RBI also undertakes Annual Financial Inspection of banks. Inspecting Officers look into the adequacy of the system of post sanction supervision in banks, compliance with terms of sanction, adequacy of recovery policy, efficacy of recovery measures adopted by the banks, actual recovery of non-performing advances vis-a-vis target aimed etc. The deficiencies observed are brought to the notice of the bank for initiating quick remedial action.

Disappearance of NBFCs

1272. MISS MABEL REBELLO: Will the Minister of FINANCE be pleased to state:

(a) whether non-banking financial companies have disappeared after mobilising substantial resources in the form of deposits from small and middle class families, if so, how many cases of this nature has come to the notice of Government;

(b) the non-banking companies which have duped people and disappeared for the last three consecutive financial years, particularly from West Bengal, Madhya Pradesh and Maharashtra;

(c) whether Government have any plan to check haphazard growth of these unscrupulous companies; and

(d) whether before giving permission to set up such companies Government thoroughly check the antecedents of promoters of these companies?